

May 22, 2003



JOINT MEETING OF THE RETIREMENT BOARDS

The Employees and Fire and Police Retirement Boards met in a joint session in Meeting Room A, 2nd Floor, City Hall, 2600 Fresno Street, Fresno, California at the hour of 2:15 p.m. on the day above written.

Roll Call at 2:14 p.m.

Present for the Employees Retirement Board:

William Quick	Chair
Carla Lombardi	Vice-Chair
Frank Balekian	Member
Darrell Fifield	Member
Marvell French	Member

Present for the Fire and Police Retirement Board:

Brian Burry	Chair
Darrell Fifield	Vice Chair
Carla Lombardi	Member
Paul Cliby	Member
Stephen Guinn	Member

- - - -

APPROVE MINUTES OF THE **JOINT RETIREMENT BOARD** FOR APRIL 9, 2003, REGULAR MEETING AND MAY 1, 2003, SPECIAL MEETING.

ON MOTION of Member Cliby seconded by Member Guinn, duly carried, RESOLVED to approve the minutes of the **Joint Retirement Boards** for April 9, 2003, Regular meeting, and May 1, 2003, Special Meeting hereby approved by the following vote:

Ayes:	Burry, Fifield, Cliby, Guinn, Lombardi
Noes:	None
Abstain:	None
Absent:	None

ON MOTION of Member Balekian seconded by Member Lombardi, duly carried, RESOLVED to approve the minutes of the **Joint Retirement Boards** for April 9, 2003, Regular meeting, and May 1, 2003, Special Meeting hereby approved by the following vote:

Ayes:	Quick, Lombardi, Balekian, Fifield, French
Noes:	None
Abstain:	None
Absent:	None

APPROVE AGENDA OF APRIL 9, 2003

Employees Member Balekian requests that direction be given to legal counsel and that item be placed on the Administrative Committee agenda regarding privacy matters.

- - - -

TIMED SCHEDULED HEARINGS AND MATTERS

2:10 p.m.

PRESENTATION BY RUTHIE QUINTO
REGARDING POTENTIAL INVESTMENT
OPPORTUNITY FOR CONSIDERATION
REGARDING FUNDING FOR THE CITY OF
FRESNO PUBLIC SAFETY FACILITIES
RENOVATIONS AND ONE RELOCATION.

2:15 p.m.

Ruthie Quinto, Finance Director/Controller was present and distributes report, stating the City requests the Boards consideration and support but that they do not ask for any action on the concept, and if the Board does support the general concept, she will invest further staff time to formalize the proposal for future Board action.

Mrs. Quinto reviewed the issue as submitted including the critical repair/renovation issues at the City Public Safety Facilities, the police substation, headquarters annex and fire station 12, the ignored maintenance needs at these facilities, and the Mayor's commitment to provide facilities for our public safety personnel, the Mayor's request to include these repairs in the proposed budget for next year, and continues asking for the Board to be an important part in the Mayor's commitment, structures as a purchase of City owned fire stations by the Retirement Board with a long term lease of those facilities to the City, the amortization of those lease payments would be at an interest rate and term acceptable to the Board, and are not asking for special consideration, and continues with an estimate amount required for these renovations, that the lease payments would be supported by the general fund fee revenue, refers to maps of these facilities and photos and illustrations, and continues with a background summary, cost estimates, the UGM fee structure, interest rate and lease are negotiable, responding to questions and comments from Chair Burry, Member Cliby, Member Balekian, Member Guinn. Member Lombardi briefly comments and requests review of this issue by the Investment Committee, discussion follows regarding lease payments, amortization, concepts of the investment, fiduciary liability, City policy, City collateral, appraised value of the stations, land title, with comments from Member Fifield and Mrs. Quinto responding. Mrs. Quinto requests that the Board approve proposal in concept stating Dave Hale, the City's Deputy City Attorney has reviewed this issue and is prepared for questions from the Boards. Administrator McDivitt briefly comments stating this is "cutting edge", that policies and standards will need to be written and that there are no other public retirement systems surveyed that have done this type of investment. After some discussion, this issue is referred to Investment Committee and legal counsel for review and discussion. Discussion follows regarding the schedule for Committee meetings, with Mrs. Quinto stating she will do her best to provide information at the next Investment Committee meeting.

- - - -

CONSENT CALENDAR

CONFIRM DATE AND TIME FOR THE NEXT
REGULAR JOINT MEETING OF THE
RETIREMENT BOARDS FOR 2:15 P.M. ON
JUNE 11, 2003, FRESNO CITY HALL, 2600
FRESNO STREET, MEETING ROOM 2165-A

CONFIRM DATE AND TIME OF THE NEXT
INVESTMENT COMMITTEE MEETING
SCHEDULED FOR 1:30 PM TO 3:30 P.M.,
MAY 29, 2003, FRESNO CITY HALL, 2600
FRESNO STREET, MEETING ROOM 2165-A

CONFIRM DATE AND TIME FOR THE NEXT
ADMINISTRATIVE COMMITTEE MEETING
SCHEDULED FOR 9:00 A.M. TO 12:00
P.M., JUNE 26, 2003, FRESNO CITY HALL,
2600 FRESNO STREET, MEETING ROOM
2165-A

APPROVE MONTHLY BUDGET REPORTS OF
THE RETIREMENT ADMINISTRATIVE
OFFICE FOR MARCH 2003

ON MOTION of Member Balekian seconded by Member French, duly carried, RESOLVED
to approve the consent calendar, hereby approved by the following vote:

Ayes: Quick, Lombardi, Balekian, Fifield, French
Noes: None
Abstain: None
Absent: None

ON MOTION of Member Cliby seconded by Member Lombardi, duly carried, RESOLVED
to approve the consent calendar, hereby approved by the following vote:

Ayes: Burry, Fifield, Cliby, Guinn, Lombardi
Noes: None
Abstain: None
Absent: None

EMPLOYEE PERSONNEL ISSUES

None.

STAFF INITIATED ITEMS

REFER LETTER FROM JEAN PINKERTON
TO THE ADMINISTRATIVE COMMITTEE
FOR REVIEW AND DIRECTION
REGARDING THE DIVISION OF BENEFITS
WHEN THE COURT HAS GRANTED A
DIVORCE.

Legal Counsel Richeda reviews the issue requesting that the Boards consider direction to the Administrative Committee to review and discuss this issue with Chair Quick acting on the request. Member Balekian requests clarification with Counsel Richeda responding.

- - - -

BOARD INITIATED ITEMS

CONSIDER AN AMENDMENT TO ARTICLE 7
OF THE JOINT BOARD RULES REMOVING
FROM THE TEXT THE TERMS
"VOLUNTARY" AND "INVOLUNTARY" AND
MINOR CLEANUP LANGUAGE.

Administrator McDivitt reviewed the issue as contained in the staff report as submitted including the recommendation to delete the terms "voluntary" and "involuntary" from the language.

ON MOTION of Member Balekian seconded by Member Fifield, duly carried, RESOLVED to approve amendment to Article 7 of the Joint Board Rules removing from the text the terms "voluntary" and "involuntary" and minor cleanup language, hereby approved by the following vote:

Ayes:	Quick, Lombardi, Balekian, Fifield, French
Noes:	None
Abstain:	None
Absent:	None

ON MOTION of Member Cliby seconded by Member Guinn, duly carried, RESOLVED to approve amendment to Article 7 of the Joint Board Rules removing from the text the terms "voluntary" and "involuntary" and minor cleanup language, hereby approved by the following vote:

Ayes:	Burry, Fifield, Cliby, Guinn, Lombardi
Noes:	None
Abstain:	None
Absent:	None

- - - -

CONSIDER RECOMMENDATION FROM
ADMINISTRATIVE COMMITTEE TO AMEND
THE BOARDS' CONTINUING EDUCATION
AND DUE DILIGENCE VISITATIONS
POLICY STATEMENT REGARDING TRAVEL
ARRANGEMENTS.

Administrator McDivitt reviewed the issue as contained in the staff report that this issue had been reviewed by the Committee and recommended for approval, but due to administrative oversight, had not been moved forward for the Boards' approval, and briefly reviews the amendment that the Board approve a "first class" airfare for international travel only.

ON MOTION of Member Balekian seconded by Member Fifield, duly carried, RESOLVED to approve recommendation from the Administrative Committee to amend the Boards' Continuing Education and Due Diligence Visitations Policy Statement regarding first class airfare for international travel arrangements, hereby approved by the following vote:

Ayes: Quick, Lombardi, Balekian, Fifield, French
Noes: None
Abstain: None
Absent: None

ON MOTION of Member Fifield seconded by Member Lombardi, duly carried, RESOLVED to approve recommendation from the Administrative Committee to amend the Boards' Continuing Education and Due Diligence Visitations Policy Statement regarding travel arrangements, hereby approved by the following vote:

Ayes: Burry, Fifield, Cliby, Guinn, Lombardi
Noes: None
Abstain: None
Absent: None

Discussion follows motion to request that staff consider American Airlines when making travel arrangements.

- - - -

CONSIDER RECOMMENDATION FROM THE
INVESTMENT COMMITTEE TO APPOINT
DANIEL RAY AS AN ADVISORY MEMBER
TO THE BOARD'S INVESTMENT
COMMITTEE.

Administrator McDivitt reviewed the issue as contained in the staff report as submitted including the Investment Committee's recommendation to appoint Dan Ray as the Advisory Member on the Investment Committee.

ON MOTION of Member Balekian seconded by Member Lombardi, duly carried, RESOLVED to appoint Daniel Ray as the Advisory Member to the Boards' Investment Committee, hereby approved by the following vote:

Ayes: Quick, Lombardi, Balekian, Fifield, French
Noes: None
Abstain: None
Absent: None

ON MOTION of Member Cliby seconded by Member Guinn, duly carried, RESOLVED to appoint Daniel Ray as the Advisory Member to the Boards' Investment Committee, hereby approved by the following vote:

Ayes: Burry, Fifield, Cliby, Guinn, Lombardi
Noes: None
Abstain: None
Absent: None

- - - -

CLOSED SESSION
ANNUAL PUBLIC EMPLOYEE
PERFORMANCE EVALUATION –
GOVERNMENT CODE SECTION 54957
TITLE: RETIREMENT ADMINISTRATOR

Legal Counsel Richeda reports out of closed session that the Board has completed its evaluation of the Retirement Administrator and directed the Chairs to meet with the Retirement Administrator concerning the evaluation.

- - - -

GENERAL DISCUSSION

REPORT FROM THE RETIREMENT
ADMINISTRATOR ON RETIREMENT
PROJECTS AND COMMITTEE ACTION
AGENDAS

Administrator McDivitt reviewed the high-profile projects and Committee actions. The escrow closing for the purchase at 2828 Fresno Street was discussed and the Administrators' report summarizing the year-in-review is distributed. Discussion follows regarding the Web Site development.

It was the consensus of the Boards to direct the Administrative Committee to consider an RFP for Actuarial Services.

- - - -

INFORMATION ONLY ITEMS

APRIL 17, 2003, WALL STREET JOURNAL
ARTICLE REGARDING PENSION PLANS
FORCE COMPANIES TO MAKE CHOICES.

Received.

- - - -

WALL STREET JOURNAL ARTICLE
REGARDING THE INTRODUCTION OF
PENSION PRESERVATION AND SAVINGS
EXPANSION ACT OF 2003.

Received.

- - - -

May 22, 2003

FRESNO CITY HEALTH & WELFARE TRUST
AGENDA FOR THE APRIL 9, 2003,
REGULAR BOARD MEETING AND MINUTES
OF THE MARCH 12, 2003, REGULAR
BOARD MEETING.
UPDATE FROM LEGAL COUNSEL
REGARDING PENDING STATE
RETIREMENT LEGISLATION

Received.

UPDATE FROM LEGAL COUNSEL
REGARDING PENDING STATE
RETIREMENT LEGISLATION

Received.

UNSCHEDULED ORAL COMMUNICATIONS

Member Balekian requests discussion on the issuance of confidential documents and extensive discussion follows regarding public record, how the agenda and confidential items are distributed, staff policy and procedure with legal counsel responding to clarify public records act, brown act, confidentiality and state law, followed by comments from Member Lombardi and Member Guinn. Member Balekian refers to a speaker regarding this issue at the SACRS Spring 2003 Conference. Legal Counsel continues that there are two contradictory issues, the Brown Act vs Privacy Act and further clarification of administrative policy and the distribution of confidential information is discussed. Administrator McDivitt clarifies that it is staff's policy that requests for any record must be submitted in writing and discussion follows with legal counsel responding to clarify staff's policy.

PROPOSED AGENDA ITEMS FOR NEXT BOARD MEETING

None.

PUBLIC COMMENTS

None.

ADJOURNMENT – 3:50 p.m.

There being no further business to bring before the Board, and hearing no objections, the Chairs declare the Joint Retirement Board regular meeting adjourned.

Brian Burry, Chair
Fire and Police Retirement Board

William Quick, Chair
Employees Retirement Board

Pattie Laygo
Retirement Board Secretary

(This meeting was recorded.)
May 22, 2003